

641—195.2(261) Issuance or renewal of a license—denial. The department or board shall deny the issuance or renewal of a license upon receipt of a certificate of noncompliance from the college student aid commission according to the procedures set forth in Iowa Code sections 261.121 to 261.127.

195.2(1) In order to process the certificate of noncompliance received by the department or board, the department or board will maintain records of licensees by name, current known address, and social security number.

195.2(2) Upon receipt of a certificate of noncompliance duly issued by the commission, the department or board shall initiate procedures for denial of issuance or renewal of licensure.

195.2(3) The department or board shall provide notice to the licensee or applicant informing that person of the board's intent to deny the license and said notice shall be served by restricted certified mail, return receipt requested, or by personal service in accordance with the Iowa Rules of Civil Procedure. The notice shall state all of the following:

a. The licensing authority intends to deny issuance or renewal of an individual's license due to the receipt of a certificate of noncompliance from the commission.

b. The individual must contact the commission to schedule a conference or to otherwise obtain a withdrawal of a certificate of noncompliance.

c. Unless the commission furnishes a withdrawal of a certificate of noncompliance to the licensing authority within 30 days of the issuance of the notice under this subrule, the individual's license shall be denied.

195.2(4) The applicant or licensee served with a notice under 195.2(3) above shall not have a right to a hearing before the board but may request a court hearing pursuant to Iowa Code section 261.127. Such court hearing must be requested within 30 days of the provision of notice.

195.2(5) The effective date of the denial of the issuance or renewal of a license, as specified in the notice required by Iowa Code section 261.126, shall be 60 days following service of the notice upon the applicant or licensee.

195.2(6) The department's or board's administrator is authorized to prepare and serve the notice required by Iowa Code section 261.126 upon the applicant or licensee.

195.2(7) All department or board fees required for application, license renewal, or license reinstatement must be paid by applicants or licensees and all continuing education requirements must be met before a license will be issued, renewed, or reinstated after the department or board has denied the issuance or renewal of a license pursuant to Iowa Code chapter 261.

195.2(8) In the event an applicant or licensee timely files a district court action following service of a department or board notice pursuant to Iowa Code section 261.126, the department or board shall continue with the intended action described in the notice upon the receipt of a court order lifting the stay, dismissing the action, or otherwise directing the department or board to proceed.

195.2(9) Upon the filing of a district court action, the applicant or licensee shall promptly file a copy of the petition filed with the district court with the department or board. In addition, the applicant or licensee shall provide the department or board with copies of all court orders and rulings entered in such action within seven days of the action.

195.2(10) For purposes of determining the effective date of the denial of the issuance or renewal of a license, the department or board shall count the number of days before the action was filed and the number of days after the action was disposed of by the court.